

Attachment to Notice of Compliance
****Defendants' Insurance Policies****
SECTION 1

**Closure and Post Closure Environmental Liability
Insurance Declarations
Claims Made and Reported Coverage**



STEADFAST INSURANCE COMPANY
Dover, Delaware
Administrative Offices - 1400 American Lane
Schaumburg, Illinois 60196-1056

Policy Number: PLC 29-64-304-06

Renewal of: PLC 29-64-304-05

Item 1. Named Insured : **TECHNICHEM, INC.**

Address: **4245 HALLECK STREET
EMERYVILLE, CA 94608**

Item 2. "Policy Period": From: 12/16/2004 to: 12/16/2005
12:01 A.M. Local time at the address shown in Item 1.

Item 3. Limits of Liability:

<u>Coverage A</u>	Closure Coverage	\$60,000
<u>Coverage B</u>	Post Closure Coverage	\$ N/A
	Total Policy Aggregate:	\$60,000

Item 4. Covered "Waste Facility(ies)": **4245 Halleck Street
Emeryville, CA 94608
EPA I.D. NO. CAD 981375983**

Item 5. Forms and Endorsements: **STF-CPC-100-B CW (9/02),
STF-CPC-101-A CA (10/02)**

Item 6. Policy Premium: **\$6,6000 (Includes Terrorism Charge)**

Item 7. Broker: **18-331 Swett & Crawford, 201 California St., #1000, San Francisco, CA 94111-5012**

Signed by:

Authorized Representative

December 22, 2004

Date

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CLOSURE AND POST CLOSURE ENVIRONMENTAL LIABILITY INSURANCE POLICY



This policy has certain provisions and requirements unique to it and may be different from other policies an Insured may be insured under. Words and phrases that appear in quotation marks have special meaning. Refer to DEFINITIONS (Section II). Read the entire policy carefully to determine rights, duties and what is and is not covered.

In consideration of the payment of premium, in reliance upon the statements in the Application made a part hereof, and subject to the Limits of Liability of this insurance as set forth in the Declarations, and the exclusions, conditions and other terms of this policy, Steadfast Insurance Company ("Company") agrees with the "named insured" designated in the Declarations as follows:

I. INSURING AGREEMENTS

A. Closure Coverage

To indemnify the "named insured" for "closure costs", where the "named insured" has given the Company notice of the "closure" for which the "named insured" has become legally obligated by the "closure" of a "waste facility" designated in the Declarations, and upon receipt by the Company of written determination by the "regulatory body" that the "closure costs" expended are in accordance with the "closure plan".

B. Post Closure Coverage

To indemnify the "named insured" for "post closure costs", where the "named insured" has given the Company notice of the "post closure" for which the "Named Insured" has become legally obligated by the "post closure" of a "waste facility" designated in the Declarations, and upon receipt by the Company of written determination by the "regulatory body" that the "post closure costs" expended are in accordance with the "post-closure plan".

II. DEFINITIONS

- A. "Bodily injury" means any physical injury, sickness, disease, mental anguish or emotional distress sustained by any person, including death resulting therefrom.
- B. "Claim" means a written demand received by a "named insured" seeking a remedy and alleging liability or responsibility on the part of a "named insured".
- C. "Closure" means a partial or final closing of a "waste facility" as defined in the "closure plan".
- D. "Closure costs" mean costs expended to implement the tasks designated in the "closure plan" but only up to the limit of liability shown in the Declarations.
- E. "Closure plan" means the written "closure plan" attached to the Policy as Appendix A and made a part hereof, provided that such plan is filed, prepared, and documented in compliance with the law.
- F. "Final closure" means final closing of a "waste facility" as defined in the "closure plan".
- G. "Named insured" means the person or organization named in the Declarations.
- H. "Post-closure" means the maintenance of a "waste facility" pursuant to the "post closure plan" following "final closure".

- I. "Post-closure costs" mean costs expended to implement the tasks designated in the "post closure plan", but only up to the limit of liability shown in the Declarations.
- J. "Post-closure plan" means the written "post-closure plan" attached to the policy as Appendix B and made a part hereof, provided that such plan is prepared, and documented in compliance with the law.
- K. "Property damage" means (a) physical injury to, or destruction of tangible property, including loss of use, profits or investments or diminution in value of property at any time resulting from the physical injury or destruction; or (b) the loss of use of tangible property which has not been physically injured or destroyed; or (c) any injury to, impairment of, or destruction of any intangible property or rights of any nature, whether related to tangible property or not. Property damage does not include "closure costs" or "post closure costs" which are part of the "closure plan" or "post-closure plan".
- L. "Regulatory body" means the Regional Administrator of the United States Environmental Protection Agency or the designated State Administrator in the state where the "waste facility" named in the Declarations is located.
- M. "Waste facility" means the permitted unit(s) designated in Item 3 of the Declarations.

III. EXCLUSIONS

This Policy does not apply to:

- A. "Bodily injury" or "property damage", however, this exclusion shall not apply to any part of "property damage" that is considered "closure costs" and/or "post closure costs";
- B. Any criminal or civil penalties including claims for damages to natural resources; or
- C. Any legal fees or expenses including expert or consultant fees incurred in the defense of the "named insured" for any reason arising out of the "closure" or "post-closure" of the "waste facility";

IV. LIMITS OF LIABILITY

The limit(s) of liability stated in the Declarations for each "waste facility" and each Insuring Agreement are separate and independent limits of liability and shall not exceed the amounts so stated.

In the event of cancellation of the policy for non-payment of premium, the limits of liability shall be subject to the conditions outlined in Section V., paragraph E of this policy.

If a Deductible amount is shown in the Declarations it is the "insured's" obligation to pay. The Deductible amount does not erode the Limits of Liability. The Company may advance payment for "closure costs" and/or "post-closure costs" within the Deductible. If the "insured" is unable or unwilling to pay any or all amounts of the Deductible, the Company shall pay such amounts. The "insured" shall promptly reimburse the Company for advancing any element of "closure costs" and/or "post-closure costs" paid by the Company within the Deductible.

V. CONDITIONS

- A. Premium: The full Policy Premium for all coverage hereunder shall be payable in accordance with the schedule set forth in item 5 of the Declarations. It is a condition precedent of coverage under this policy that the full amount of each premium installment be actually received by the Company in accordance with said schedule for coverage to be, or continue to be, effective.
- B. Inspection and Audit: The Company or its designee shall be permitted but not obligated to inspect the "named insured's" "waste facility" at any time. Neither the Company's right to make inspections nor the making thereof

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nor any report thereon shall constitute an undertaking, on behalf of or for the benefit of the "named insured" or others, to determine or warrant that such property or operations are safe or healthful or are in compliance with any law, rule or regulation. The Company or its designee may examine and audit the "named insured's" books and records at any time during the policy period and extensions thereof as far as they relate to the subject matter of this insurance, and within any periods of "final closure" or "post-closure" for which coverage is provided whether or not this policy has expired at the time.

- C. **Assignment:** This Policy may not be assigned to a successor owner or operator of any "waste facility" without the consent of the Company, which shall not be unreasonably withheld, delayed or denied.
- D. **Cancellation and Non-renewal:** The Company shall not cancel, terminate, or fail to renew the coverage(s) provided herein except for failure to pay the full premium in accordance with the schedule shown in the Declarations. The Company shall notify the "named insured" of its intent to cancel, terminate or non-renew by sending, by certified mail, to the "named insured" at the address shown in this policy and to the "regulatory body", written notice stating the date (not less than 120 days thereafter) that cancellation shall be effective allowing time for receipt of notice on which such cancellation shall be effective.

This policy may be cancelled by the "named insured" pursuant to applicable statute, by mailing to the Company written notice stating the date thereafter that cancellation shall be effective. The mailing of notice as aforesaid shall be sufficient proof of notice. The time of surrender or the effective date and hour of cancellation stated in the notice shall become the end of the policy period.

In the event of (i) cancellation or non-renewal by the "named insured" or (ii) cancellation by the Company for nonpayment of premium, the full Policy Premium shown in Item 5 of the Declarations or any partial premium payments made to date shall be deemed earned and the unpaid portion thereof shall be immediately due and payable.

Upon the effective date of cancellation by the "named insured" indemnity obligations on the part of the Company hereunder shall automatically cease and the "named insured" shall have no further recourse against the Company with respect to unpaid "closure costs" and/or unpaid "post-closure costs" by the Company.

E. **Insured's Duties in the Event of Closure or Post-Closure:**

1. The "named insured" shall provide the Company with a duplicate of any notice it is required by law to give to the "regulatory body" regarding the event of "closure" and/or "post-closure".
2. In the event that "closure" results from the assertion of a "claim" by a third party including any "regulatory body", the "named insured" shall immediately forward to the Company any demand or notice regarding the "final closure" or "post-closure" received by the "named insured" or their representative.

The "named insured" shall cooperate with the Company and, upon the Company's request, assist in obtaining information relative to any "closure cost" or "post-closure cost".
3. Any notices required by these conditions shall be sent to the Company at:

Zurich N.A. Specialties Environmental Claims
P. O. Box 307010
Jamaica, NY 11430-7010
Phone: (847) 605-7775
Fax: (866) 253-2962

- F. **Applications and Declarations:** By acceptance of this policy, the "named insured" agrees that the statements in the application and Declarations are their agreements and representations and that they form a part of this policy, that this policy is issued in reliance upon the truth of such representations and that this policy embodies all agreements existing between the "named insured" and the Company or any of its agents, relating to this insurance.

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- G. **Concealment, Fraud - Right of Recoupment, Indemnity:** In the event that, either before or after claim for "final closure" or "post-closure" is first made, the "named insured" has willfully concealed or misrepresented any fact, whether material or not, or circumstance concerning this insurance or the subject of it, including any claim for loss, or the interest of the "named insured" in it or in any case of any fraud or false swearing by the "named insured" relating to this insurance of its subject, then the "named insured" shall indemnify the Company in full for any and all loss, damage or expense which the Company sustains or will sustain by reason of such actions by the "named insured". In the event of such willful concealment or misrepresentation by the "named insured", the Company shall have an immediate right of recoupment as respects any proceeds paid pursuant to this Policy against the "named insured".
- H. **Changes:** Notices to any agent or broker or knowledge possessed by any agent, broker or by any other person shall not effect a waiver or a change in any part of this policy or stop the Company from asserting any right under the terms of the policy; nor shall the terms of this policy be waived or changed nor shall any privilege or permission affecting the insurance under this policy exist or be claimed by the "named insured", except by endorsement signed by both the "named insured" and the Company issued to form part of this policy.
- I. **Subrogation:** In the event of any payment under this policy, the Company shall be subrogated to all the "named insured's" rights of recovery against any person or organization and the "named insured" shall execute and deliver instruments and papers and do whatever else is necessary to secure such rights. The "named insured" shall do nothing after loss to prejudice such rights.
- J. **Choice of Law:** In the event the "named insured" and the Company dispute the meaning, interpretation or operation of any term, condition, definition or provision of this policy resulting in litigation, arbitration or other form of dispute resolution, the "named insured" agrees with the Company that the law of the State of New York shall apply without giving effect to any conflicts or choice of law principles. In the event the "named insured" agrees with the Company to resolve the dispute by arbitration, any such arbitration shall be in accordance with the Commercial Arbitration Rules of the American Arbitration Association.

State of California • California Environmental Protection Agency

Department of Toxic Substances Control

CERTIFICATE OF INSURANCE • CLOSURE/POST CLOSURE

If additional space is needed, add attachment.

Insurer Name:	Address	License Number:
STEADFAST INSURANCE COMPANY	1400 AMERICAN LANE SCHAUMBURG, IL 60196-1058	2852P
		Issued by State of:
		DE
Insured Name:	Address:	
TECHNICHEM, INC.	4245 HALLECK ST. EMERYVILLE, CA 94608	

Hazardous Waste Facilities/TTUs Covered:
(Enter Closure and Post Closure Amounts Separately; Amounts Must Represent Total Face Amount).

Name	Address	Hazardous Waste Facility/TTU Identification Number	Closure Insurance Amount	Post Closure Insurance Amount
TECHNICHEM, INC.	4245 HALLECK STREET EMERYVILLE, CA 94608	CAD 981375983	\$60,000	
Policy Number		Effective Date	Face Amount	
PLC 2964304-06		12/16/2004	\$60,000	

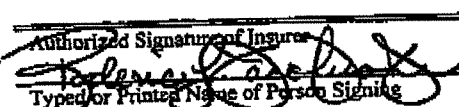
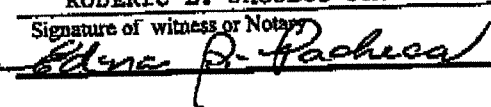
Insurer Certification

The Insurer hereby certifies that it has issued to the Insured the policy of insurance identified above to provide financial assurance for •Closure• or •Closure and Post Closure Care• or •Post Closure Care• for the facilities/transportable treatment units (TTUs) identified above. The Insurer further warrants that such policy conforms in all respects with the requirements of California Code of Regulations, Title 22, Division 4.5, Chapter 14 and 15, Article 8, Section 66264.143, 66264.145, 66265.143 and 66265.145 as applicable and as such regulations were constituted on the date shown immediately below. It is agreed that any provision of the policy inconsistent with such regulations is hereby amended to eliminate such inconsistency.

Whenever requested by the Department of Toxic Substances Control of the State of California, the Insurer agrees to furnish to the DTSC a duplicate original of the original policy listed above, including all endorsements thereon.

In the event this policy is used in combination with another mechanism, this policy shall be considered (insert "primary" or "excess") _____ coverage.

The parties below certify that this document is being executed in accordance with the requirements of Article 8 of Chapters 14 and 15 of Division 4.5, California Code of Regulations.

Authorized Signature of Insured	Title
	AUTHORIZED Representative
Typed or Printed Name of Person Signing	
RODERIC L. JACOBUS JR.	
Signature of witness or Notary	Date
	12/15/2004

State of California-California Environmental Protection Agency

Department of Toxic Substances Control

PRIVACY STATEMENT

This information is requested by the Department of Toxic Substances Control under Health and Safety Code section 25246, in order to verify adequate financial assurance of hazardous waste facilities/transportable treatment units (TTU). Completion of the form is mandatory. The consequence of not completing the form is denial of a permit to operate a hazardous waste facility/TTU. Information may be provided to the U. S. Environmental Protection Agency, State Attorney General, Air Resources Board, California Integrated Waste Management Board, Energy Resources Conservation and Development Commission, Water Resources Control Board, and California Regional Water Quality Control Boards. For more information or access to your records, contact the Department of Toxic Substances Control, 8800 Cal Center Drive, Sacramento, California 95826, (916) 255-3545.

Important Notice



Service of Suit

In the event of failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon General Counsel, Law Department, Steadfast Insurance Company, 1400 American Lane, Schaumburg, Illinois 60196-1056, or his or her representative, and that in any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provisions therefore, the Company hereby designates the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this policy of insurance and hereby designates Carpenter & Moore Insurance Services, Inc., 111 Pine Street, Suite 777, San Francisco, California 94111 as whom the said officer is authorized to mail such process or a true copy thereof.

In Witness Clause

In return for the payment of premium, and subject to the terms of the policy, the Company agrees with the Insured to provide insurance as stated in this policy. This policy shall not be valid unless countersigned by the duly authorized Representative of the Company.

In Witness Whereof, the Company has executed and attested these presents, and where required by law, has caused this policy to be countersigned by its duly authorized Representative.

President
Steadfast Insurance Company

Corporate Secretary
Steadfast Insurance Company

California Surplus Lines Notice

NOTICE:

- 1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NONADMITTED" OR "SURPLUS LINE" INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT WHICH APPLIES TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST.**
- 5. FOR ADDITIONAL INFORMATION ABOUT THE INSURER YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE AGENT, BROKER, OR "SURPLUS LINE" BROKER OR CONTACT THE CALIFORNIA DEPARTMENT OF INSURANCE AT THE FOLLOWING TOLL-FREE TELEPHONE NUMBER: 800-927-4357.**

Applicant's (Insured's) signature

date

STF-CA

Insured Name: TECHNICHEM, INC.
 Policy Number: PLC2964304-06
 Effective Date: 12/16/2004



ZURICH

THIS IMPORTANT DISCLOSURE NOTICE IS PART OF YOUR POLICY

We are making the following informational disclosures in compliance with The Terrorism Risk Insurance Act of 2002. No action is required on your part.

Disclosure of Terrorism Premium

The premium charge for risk of loss resulting from acts of terrorism (as defined in the Act) under this policy is 1% of the policy premium. This amount is reflected in the total premium for this policy.

Disclosure of Availability of Coverage for Terrorism Losses

As required by the Terrorism Risk Insurance Act of 2002, we have made available to you coverage for losses resulting from acts of terrorism (as defined in the Act) with terms, amounts, and limitations that do not differ materially as those for losses arising from events other than acts of terrorism.

Disclosure of Federal Share of Insurance Company's Terrorism Losses

The Terrorism Risk Insurance Act of 2002 establishes a mechanism by which the United States government will share in insurance company losses resulting from acts of terrorism (as defined in the Act) after an insurance company has paid losses in excess of an annual aggregate deductible. For 2002, the insurance company deductible is 1% of direct earned premium in the prior year; for 2003, 7% of direct earned premium in the prior year; for 2004, 10% of direct earned premium in the prior year; and for 2005, 15% of direct earned premium in the prior year. The federal share of an insurance company's losses above its deductible is 90%. In the event the United States government participates in losses, the United States government may direct insurance companies to collect a terrorism surcharge from policyholders. The Act does not currently provide for insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year.

Definition of Act of Terrorism

The Terrorism Risk Insurance Act defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

But, no act shall be certified by the Secretary as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000.

These disclosures are informational only and do not modify your policy or affect your rights under the policy.

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STR-GU-630-A (11/02)

Endorsement # 1

California Amendatory Financial Assurance Department of Toxic Substances Control Endorsement



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
PLC 29-64-304-06	12/16/2004	12/16/2005	12/16/2004	18331000	None	None

Named Insured and Mailing Address:

Technichem, Inc.
4245 Halleck Street
Emeryville, CA 94608

Producer:

Swett & Crawford
201 California St., #1000
San Francisco, CA 94111

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This endorsement modifies insurance provided under the following:

Closure and Post Closure Insurance Policy - Claims Made and Reported Coverage

PLEASE READ THIS ENDORSEMENT CAREFULLY!

TO THE EXTENT THAT ANY PROVISION OF THE POLICY TO WHICH THIS ENDORSEMENT IS ATTACHED CONFLICTS WITH ANY PROVISION OF THIS ENDORSEMENT, THE PROVISIONS OF THIS ENDORSEMENT SHALL APPLY AND SUPERCEDE, HOWEVER, ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

In consideration of the payment of premium and the Deductible by the "named insured" and in reliance upon the statements in the Application made a part hereof, the Company agrees with the "named insured", subject to all terms, exclusions and conditions of the Policy that the following amendments shall apply to the Policy provided that the "claim" is one for which the "named insured" is required to demonstrate financial assurance pursuant to 22 CCR 66264.143 and 22 CCR 66265.143, and the Policy is amended as follows:

I. DEFINITIONS (Section II.) shall be amended as follows:

A. Paragraph E. "Closure plan" shall be deleted and replaced with the following:

- E. "Closure plan" means the written closure plan, attached to the Policy as Appendix A and made a part hereof, including any amendments thereto, provided that such plan is filed, prepared, and documented in compliance with the law. Amendments to the closure plan shall not operate to increase the Limits of Liability shown on the Declarations to this policy without the Company's consent endorsed onto the policy.

B. Paragraph J. "Post-closure plan" shall be deleted and replaced with the following:

- J. "Post-closure plan" means the written post-closure plan, attached to the Policy as Appendix A and made a part hereof, including any amendments thereto, provided that such plan is filed, prepared, and documented in compliance with the law. Amendments to the post-closure plan shall not operate to increase the Limits of Liability shown on the Declarations to this policy without the Company's consent endorsed onto the policy.

C. Paragraph L. "Regulatory body" shall be deleted and replaced with the following:

- L. "Regulatory body" shall mean the California Environmental Protection Agency Department of Toxic Substances Control ("DTSC").

II. CONDITIONS (Section V.) shall be amended as follows:

A. Paragraph C. ASSIGNMENT shall be deleted and replaced with the following:

ASSIGNMENT - This Policy shall be void if assigned or transferred without written consent of the Company. However, this Policy may be assigned to a successor owner or operator of a "waste facility" designated in the Declarations, provided that the Company consents to the assignment, which consent shall not be unreasonably withheld.

B. Paragraph D. CANCELLATION AND RENEWAL shall be amended to include the following:

The 120 day written notice of cancellation, termination or non-renewal shall begin on the date that the certified mail receipt is signed by the DTSC and the "named insured". Cancellation, termination or failure to renew shall not occur and the policy shall remain in full force and effect in the event that on or before the date of expiration:

1. the DTSC deems the facility abandoned; or
2. the permit is denied, terminated or revoked or a new permit is denied;
3. closure is ordered by the DTSC or any other State or Federal agency, United States district court or other court of competent jurisdiction;
4. the "named insured" is named as debtor in a voluntary or involuntary proceeding under Title 11 (Bankruptcy), United States Code; or
5. the premium due is paid.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Signed by: _____
Authorized Representative

Date

State of California-California Environmental Protection Agency Department of Toxic Substances Control

LIABILITY CERTIFICATE OF INSURANCE*If additional space is needed, add attachment*

Insurer Name: Steadfast Insurance Company	Address: 1400 American Lane, Schaumburg, IL 60196	License Number: 2852P
		Issued by State of: DE
Insured Name: Technichem, Inc.	Address: 4245 Halleck St., Emeryville, CA 94068	

Hazardous Waste Facilities/TTUs Covered: [Enter Information For Each Facility/TTU]				LIMITS OF LIABILITY
NAME OF FACILITY/TTU	ADDRESS OF FACILITY/TTU	HAZARDOUS WASTE FACILITY/TTU ID NUMBER	SUDDEN* OCCURRENCES EACH OCCURRENCE/ANNUAL AGGREGATE AMOUNT	NONSUDDEN* OCCURRENCES EACH OCCURRENCE/ANNUAL AGGREGATE AMOUNT
Technichem, Inc.	4245 Halleck St., Emeryville, CA 94068	CAD 961375983	COMBINED POLICY LIMITS \$1,000,000/\$1,000,000	/
			/	/
			/	/
Policy Number PLC 29-64-146-05		Effective Date 12/16/03	Total COMBINED POLICY LIMITS \$1,000,000/\$1,000,000	Total /

* Excluding legal costs and deductibles

INSURER CERTIFICATION:

- This endorsement certifies that this policy has provided liability insurance covering bodily injury and property damage in connection with the insured's obligation to demonstrate financial responsibility under California Code of Regulations, Title 22, Division 4.5, Chapter 14 and 15, Article 8, Sections 66264.147 and 66265.147. The coverage applies to the above listed facilities/transportable treatment units [TTUs] in the amounts listed for sudden and/or nonsudden occurrences or both, and are exclusive of legal defense costs.

If the endorsement is for an excess insurance policy, complete the following sentence:

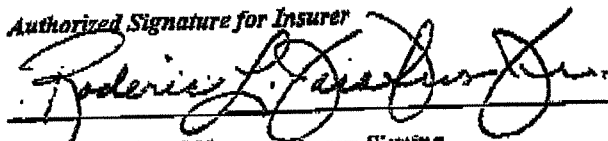
\$ _____ each occurrence and \$ _____ annual aggregate in excess of the underlying limits of \$ _____ each occurrence and \$ _____ annual aggregate."

The Insurer further certifies the following with respect to the insurance described above:

- [a] Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy.
- [b] The Insurer is liable for the payment of amounts within any deductible applicable to the policy, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated as specified in California Code of Regulations, Title 22, Division 4.5, Chapter 14 and 15, Article 8, Section 66264.147 and 66265.147.
- [c] Whenever requested by the Department of Toxic Substances Control (DTSC), the Insurer agrees to furnish to DTSC a signed duplicate of the original policy and all endorsements.
- [d] Cancellation of the insurance, whether by the insurer or the insured, a parent corporation providing insurance coverage for its subsidiary, or by a firm having an insurable interest in and obtaining liability insurance on behalf of the owner or operator of hazardous waste management facility TTU, may occur only by sending notice of cancellation by either registered or certified mail to DTSC. Cancellation will not be effective until after the expiration of sixty [60] days after receipt of notice of cancellation as evidenced by the returned receipt.
- [e] Any other termination of the insurance may occur only by sending notice of cancellation by either registered or certified mail to DTSC. Cancellation will not be effective until after the expiration of thirty [30] days after receipt of cancellation as evidence by the returned receipt.

The party below certifies that this document is being executed in accordance with the requirements of California Code of Regulations, Title 22, Division 4.5, Chapter 14 and 15, Article 8, Sections 66264.147 and 66265.147, and that the Insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

Authorized Signature for Insurer



Title

AUTHORIZED
REPRESENTATIVE

Typed or Printed Name of Person Signing
RODERIC L. JACOBUS, JR.

Date

12/19/03

Address of Person Signing For Insurer
560 Mission St., Ste. 2400, San Francisco, CA 94105

PRIVACY STATEMENT

This information is requested by the Department of Toxic Substances Control under the Health and Safety Code, Section 25245 in order to verify adequate financial insurance of hazardous waste facilities/transportable treatment units. Completion of the form is mandatory. The consequence of not completing the form is denial of permit to operate a hazardous waste facility/TTU. Information may be provided to U.S. Environmental Protection Agency, State Attorney General, Air Resources Board, California Integrated Waste Management Board, Energy Resources Conservation and Development Commission, Water Resources Control Board and California Regional Water Quality Control Boards. For more information or access to your records, contact the Department of Toxic Substances Control, 300 Cal Center Drive, Sacramento, California 95826, (916) 255-3545.

Environmental Impairment Liability Insurance Declarations Claims Made and Reported Coverage



STEADFAST INSURANCE COMPANY
Dover, Delaware
Administrative Offices - 1400 American Lane
Schaumburg, Illinois 60196-1056

Policy Number: **PLC 29-64-146-05** Renewal of: **PLC 29-64-146-04**

Item 1. Named Insured: **TECHNICHEM, INC.**

Address: **4245 HALLECK STREET
EMERYVILLE, CA 94608**

Item 2. "Policy Period": From: **12/16/2003** To: **12/16/2004**
12:01 A.M. Local time at the address shown in Item 1.

Item 3. Limits of Liability: **\$1,000,000** Each Claim
\$1,000,000 Total for all Claims

Item 4. Deductible: **\$50,000** Each Claim

Item 5. "Covered Location(s)":
See the Endorsement to the policy.

Item 6. Forms and Endorsements: **See Schedule**

Item 7. Policy Premium: **\$15,000**

Item 8. Retroactive Date(s): **04/09/1993**
See Endorsement to the policy

Item 9. Broker: **18-331 Swett & Crawford, 201 California St., #1000, San Francisco, CA 94111-5012**

Signed by: _____


Authorized Representative

January 5, 2004

Date

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IMPORTANT NOTICE

Notice To California Non-Admitted Policyholders

- 1. THE INSURANCE POLICY THAT YOU HAVE PURCHASED IS BEING ISSUED BY AN INSURER THAT IS NOT LICENSED BY THE STATE OF CALIFORNIA. THESE COMPANIES ARE CALLED "NONADMITTED" OR "SURPLUS LINE" INSURERS.**
- 2. THE INSURER IS NOT SUBJECT TO THE FINANCIAL SOLVENCY REGULATION AND ENFORCEMENT WHICH APPLIES TO CALIFORNIA LICENSED INSURERS.**
- 3. THE INSURER DOES NOT PARTICIPATE IN ANY OF THE INSURANCE GUARANTEE FUNDS CREATED BY CALIFORNIA LAW. THEREFORE, THESE FUNDS WILL NOT PAY YOUR CLAIMS OR PROTECT YOUR ASSETS IF THE INSURER BECOMES INSOLVENT AND IS UNABLE TO MAKE PAYMENTS AS PROMISED.**
- 4. CALIFORNIA MAINTAINS A LIST OF ELIGIBLE SURPLUS LINE INSURERS APPROVED BY THE INSURANCE COMMISSIONER. ASK YOUR AGENT OR BROKER IF THE INSURER IS ON THAT LIST.**

5. **FOR ADDITIONAL INFORMATION ABOUT THE INSURER
YOU SHOULD ASK QUESTIONS OF YOUR INSURANCE
AGENT, BROKER, OR "SURPLUS LINE" BROKER OR
CONTACT THE CALIFORNIA DEPARTMENT OF
INSURANCE AT THE FOLLOWING TOLL-FREE NUMBER:
1-800-927-4357.**

TECHNICHEM, INC.
Insured

January 5, 2004
Date

Signed by the Insured:

Date _____
STF-GU-1001-A CA (1/99)

Schedule of Forms and Endorsements



Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Retain Prem.
PLC 29-64-146-05	12/16/2003	12/16/2004	12/16/2003	18331000	None	None

Named Insured and Mailing Address:

Technichem, Inc.
4245 Halleck Street
Emeryville, CA 94608

Producer:

Swett & Crawford
201 California St, #1000
San Francisco, CA 94111

Environmental Impairment Liability Insurance Policy - Claims Made and Reported Coverage

<u>FORM NUMBER</u>	<u>TITLE</u>	<u>ENDORSEMENT NUMBER</u>
STF-EIL-423-A CW (8/99)	Environmental Impairment Liability Insurance Policy	
STF-ENVL-1463-A CA (8/03)	Important Notice - Service of Suit	
STF-GU-630-A (11/02)	Disclosure Notice	
STF-ENVL-1455-A CW (7/03)	Amendment of Claim Provisions	
STF-EIL-420-A CA (10/02)	CA Amendatory Financial Assurance - DTSC	1
STF-EIL-425-A CW (8/99)	Covered Location(s)	2
STF-EIL-397-A CW (8/99)	Exclusion for Pollution Events	3
STF-EIL-MAN-xxx (xx/xx/xx)	Onsite Third Party BI & PD Endorsement	4
STF-ENVL-1420-A CW (8/01)	Fungus Exclusion	5
STF-EIL-428-A CW (2/00)	Onsite Cleanup Costs Exclusion	6
STF-EIL-MAN-xxx (xx/xx/xx)	Coverage Restriction - City of Merced	7

All other terms and conditions of the policy shall apply and remain unchanged.

Signed by: _____
Authorized Representative

Date

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Important Notice



Service of Suit

In the event of failure of the Company to pay any amount claimed to be due hereunder, the Company, at the request of the Insured, will submit to the jurisdiction of a court of competent jurisdiction within the United States. Nothing in this condition constitutes or should be understood to constitute a waiver of the Company's rights to commence an action in any court of competent jurisdiction in the United States to remove an action to a United States District Court or to seek a transfer of a case to another court as permitted by the laws of the United States or any state in the United States. It is further agreed that service of process in such suit may be made upon General Counsel, Law Department, Steadfast Insurance Company, 1400 American Lane, Schaumburg, Illinois 60196-1056, or his or her representative, and that in any suit instituted against the Company upon this policy, the Company will abide by the final decision of such court or of any appellate court in the event of an appeal.

Further, pursuant to any statute of any state, territory, or district of the United States which makes provisions therefore, the Company hereby designates the Superintendent, Commissioner, or Director of Insurance, or other officer specified for that purpose in the statute, or his or her successor or successors in office, as its true and lawful attorney upon whom may be served any lawful process in any action, suit or proceeding instituted by or on behalf of the Insured or any beneficiary hereunder arising out of this policy of insurance and hereby designates Carpenter & Moore Insurance Services, Inc., 111 Pine Street, Suite 777, San Francisco, California 94111 as whom the said officer is authorized to mail such process or a true copy thereof.

In Witness Clause

In return for the payment of premium, and subject to the terms of the policy, the Company agrees with the Insured to provide insurance as stated in this policy. This policy shall not be valid unless countersigned by the duly authorized Representative of the Company.

In Witness Whereof, the Company has executed and attested these presents, and where required by law, has caused this policy to be countersigned by its duly authorized Representative.

A handwritten signature in dark ink, appearing to read 'John J. McCarthy'.

President
Steadfast Insurance Company

A handwritten signature in dark ink, appearing to be a stylized name.

Corporate Secretary
Steadfast Insurance Company

Insured Name: **Technichem, Inc.**
 Policy Number: **PLC 29-64-146-05**
 Effective Date: **12/16/2003**



ZURICH

THIS IMPORTANT DISCLOSURE NOTICE IS PART OF YOUR POLICY

We are making the following informational disclosures in compliance with The Terrorism Risk Insurance Act of 2002. No action is required on your part.

Disclosure of Terrorism Premium

The premium charge for risk of loss resulting from acts of terrorism (as defined in the Act) under this policy is 1% of the policy premium. This amount is reflected in the total premium for this policy.

Disclosure of Availability of Coverage for Terrorism Losses

As required by the Terrorism Risk Insurance Act of 2002, we have made available to you coverage for losses resulting from acts of terrorism (as defined in the Act) with terms, amounts, and limitations that do not differ materially as those for losses arising from events other than acts of terrorism.

Disclosure of Federal Share of Insurance Company's Terrorism Losses

The Terrorism Risk Insurance Act of 2002 establishes a mechanism by which the United States government will share in insurance company losses resulting from acts of terrorism (as defined in the Act) after an insurance company has paid losses in excess of an annual aggregate deductible. For 2002, the insurance company deductible is 1% of direct earned premium in the prior year; for 2003, 7% of direct earned premium in the prior year; for 2004, 10% of direct earned premium in the prior year; and for 2005, 15% of direct earned premium in the prior year. The federal share of an insurance company's losses above its deductible is 90%. In the event the United States government participates in losses, the United States government may direct insurance companies to collect a terrorism surcharge from policyholders. The Act does not currently provide for insurance industry or United States government participation in terrorism losses that exceed \$100 billion in any one calendar year.

Definition of Act of Terrorism

The Terrorism Risk Insurance Act defines "act of terrorism" as any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States:

1. to be an act of terrorism;
2. to be a violent act or an act that is dangerous to human life, property or infrastructure;
3. to have resulted in damage within the United States, or outside of the United States in the case of an air carrier (as defined in section 40102 of title 49, United States Code) or a United States flag vessel (or a vessel based principally in the United States, on which United States income tax is paid and whose insurance coverage is subject to regulation in the United States), or the premises of a United States mission; and
4. to have been committed by an individual or individuals acting on behalf of any foreign person or foreign interest as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

But, no act shall be certified by the Secretary as an act of terrorism if the act is committed as part of the course of a war declared by Congress (except for workers' compensation) or property and casualty insurance losses resulting from the act, in the aggregate, do not exceed \$5,000,000.

These disclosures are informational only and do not modify your policy or affect your rights under the policy.

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STF-GU-630-A (11/02)

Amendment of Claim Provisions

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem.	Return Prem.
PLC 29-64-145-05	12/16/2003	12/16/2004	12/16/2003	18331000	None	None

Named Insured and Mailing Address:

Technichem, Inc.
4245 Halleck Street
Emeryville, CA 94608

Producer:

Swett & Crawford
201 California St., #1000
San Francisco, CA 94111

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

In consideration of the payment of premium and the Deductible by you and in reliance upon the statements in the Application made a part hereof, we agree with you, subject to all the terms, exclusions and conditions of the policy that the claim reporting contact information shall be deleted and replaced by the following:

Zurich N.A. Specialties Environmental Claims
P.O. Box 307010
Jamaica, NY 11430-7010
Phone: (847) 605-7775
Fax: (866) 253-2962

ALL OTHER TERMS AND CONDITIONS OF THE POLICY SHALL APPLY AND REMAIN UNCHANGED.

Signed by: _____

Authorized Representative

Date

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